



DEPARTMENTS OF THE ARMY AND THE AIR FORCE  
NATIONAL GUARD BUREAU  
US PROPERTY AND FISCAL OFFICER FOR CALIFORNIA  
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CAJS-US-PC

1 June 2003

MEMORANDUM FOR All Government Purchase Card Billing Officials and Cardholders

SUBJECT: **GOVERNMENT PURCHASE CARD POLICY MEMORANDUM #4** – Administrative Actions for Unauthorized Purchases or Misuse of the Government Purchase Card

1. Reference USPFO for California Standard Operating Procedure for Use of the Government Purchase Card (GPC), dated 1 February 2003.
2. The purpose of this memorandum is to provide official USPFO for California policy to Billing Officials and Cardholders on the penalties for Cardholders who knowingly use their Government Purchase Card (GPC) to make unauthorized purchases or otherwise misuse their card. This policy provides information governing unauthorized purchases or misuse of the GPC card and grants authority to the GPC Organization Program Manager (OPM) at the USPFO for California to enforce specific administrative actions or penalties for violations of purchase card policies/procedures.
3. The Organization Program Manager (Chief, Purchasing and Contracting Division) for the purchase card program has the authority to approve, suspend, or cancel Cardholder or Billing Official privileges in accordance with the guidelines below as deemed appropriate. The OPM also has the authority to take other actions that may be appropriate under the specific circumstances, such as requiring advance approval of Cardholder purchases by the Billing Official. The Cardholder's supervisory chain of command has the authority and responsibility to take additional administrative or disciplinary actions against the Cardholder and to advise the USPFO Agency/Organization Program Coordinator (A/OPC) of the course of action taken.
4. Cardholders and their Billing Officials will be notified in writing by the A/OPC of any questionable or apparent unauthorized purchase or misuse of their card found during a review of the U.S. Bank Monthly Cycle Report. Cardholders will be required to respond in writing, explaining the circumstances surrounding the purchase in question. Cardholders who make unauthorized purchases or misuse their GPC card may be held personally liable for the total dollar amount of the unauthorized purchase(s) made in connection with misuse or negligence. Cardholders may also be subject to further administrative and/or disciplinary action for unauthorized use of the card.
5. Billing Officials are also required to notify in writing the A/OPC if it is determined, after reviewing a Cardholder's monthly billing statement, that the Cardholder has misused the GPC card. Unauthorized use of the card and/or intentional violation of purchase card policies/procedures may result in one or more of the following administrative actions by the USPFO, along with referral to the Cardholder's supervisor or leadership chain.
  - a. FIRST OFFENSE
    - Mandatory Billing Official or Cardholder refresher training
    - Individual training/counseling
    - Warning letter from Billing Official (copy furnished to A/OPC)
    - Card suspension for a minimum of 30 days or permanent card suspension

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b. SECOND OFFENSE

- Card suspension for a minimum of 60 days
- Permanent card suspension
- Mandatory Billing Official or Cardholder refresher training
- Individual training/counseling
- Formal letter of suspension of card privileges

c. THIRD OFFENSE

- Cardholder relinquishes card to A/OPC for immediate cancellation
- Formal letter of suspension/cancellation of card privileges sent to chain of command
- Cardholder permanently excluded from being a GPC Cardholder

6. FRAUD/CRIMINAL VIOLATIONS. Instances in which Cardholders are suspected of criminal or fraudulent use of the GPC card may be referred for investigation by the appropriate criminal investigative agency within the CA ARNG. If appropriate, Cardholders determined to have committed a criminal or fraudulent act may receive administrative, disciplinary, and/or criminal sanctions.

7. UNAUTHORIZED USE OF U.S. GOVERNMENT TRAVEL CARD. Cardholders and Billing Officials are also responsible and accountable for properly using their individual U.S. Government "VISA" Travel Card for "Official Government Travel Only." All prospective GPC Cardholders will have their travel card account reviewed prior to issuance of a GPC purchase card. If it is determined that the individual's travel account has been used for unauthorized purposes, canceled for misuse, or the account is delinquent more than 60 days due to the fault of the individual, the request for a GPC purchase card will be denied. Additionally, any existing GPC Cardholder who has had issues with their travel card as identified above will have their GPC card suspended or canceled dependent on the severity of the offense.

8. For situations not addressed by this policy, please contact LTC Eric H. McDonald, Chief, Purchasing and Contracting Division, at DSN 630-6251, CAGNET 66251, or (805) 594-6251.



CHARLES E. BOURBEAU  
Colonel, NGB  
USPFO for California

CF:

Chief of Staff, California National Guard  
Chief of Staff, Joint Staff Division  
Chief of Staff, Army Division  
Chief of Staff, 40<sup>th</sup> Infantry Division  
Chief of Staff, 49<sup>th</sup> Combat Support Command  
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Chief, Internal Review (CAJS-US-IR)